MCNIC Pipeline & Processing Company

150 West Jefferson Avenue Suite 1700 Detroit, Michigan 48226 Telephone (313) 256-6050 (313) 256-5851 FAX

Mr. D. Wayne Hedberg State of Utah Department of Natural Resources Division of Oil, Gas and Mining P.O. Box 145801 Salt Lake City, Utah 84114-5801

Re: Crown Asphalt Corporation, Asphalt Ridge Oil Sands Mine, Uintah County, Utah

Dear Mr. Hedberg:

This is in response to your letter of March 7, 2001. We have been delayed in responding to your letter because of a number of ongoing developments. MCNIC Pipeline & Processing Company is currently involved in a law suit with several of the Crown Energy Corporation companies which has taken a considerable amount of time and caused difficulties in getting needed survey information. This information is needed to resolve some of the issues raised in your letter. Additionally, MCN Energy Group, the parent company of MCNIC Pipeline & Processing Company, is in the process of merging with DTE. This merger has resulted in the recent loss of MCNIC personnel who were involved in responding to your letter.

In addition to these delays, we have been working with Uintah County on several unresolved contractual issues, which are critical to working with the County in coordinating a response to your letter. We have a good working relationship with the County and hope to resolve these contractual issues in the near future.

In order to respond to your letter, we have brought in additional personnel, who will be unaffected by the merger and these other delay issues. They should provide continuity and address the issues within your letter. Mr. G. Plum has been in contact with Mr. Gallegos and made plans to obtain the necessary survey data to answer your questions.

Please be assured that we are committed to cooperating with Uintah County and your office to resolve the questions within your letter.

Sincerely,

William F. Kraemer

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DIVISION OF OIL, GAS AND MINING